

2014 SEP 30 AM 7:42

CELA

September 28, 2014

Jeff S. Jordan  
999 E Street, NW  
Washington, DC 20436

RE: Pre-MUR 579

Dear Mr. Jordan:

I am in receipt of letter marked September 25, 2014 regarding six federal campaign contributions MV Transportation, Inc. ("MV") reimbursed to former Chief Executive Officer, R. Carter Pate ("Pate").

Please be advised Pate made regular requests for reimbursement of a variety of expenditures and that such requests would be forward to Accounts Payable in the normal course of business for processing. Processing included, among other things, review of the expenditure's approval in accordance with the MV signing authority/approval matrix (see attachment). As you may be aware, Pate reported to the MV Board of Directors during this period and I was not an authorized approver of his expenditures.

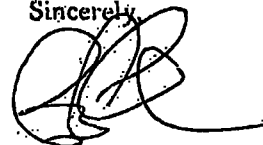
Please also note Pate requested reimbursement for other expenditures made out of his personal checking "Special Account". To my knowledge, the \$43,100 in federal campaign contributions were paid exclusively from this account. With regard to Pate's reimbursement requests for these expenditures I offer the following statements of fact:

1. Pate advised me MV General Counsel and the MV Board agreed these contributions were to be reimbursed to him on a tax "gross-up" basis.
2. These contributions were covered in the "Donations - Political" line of the Excel attachment representing MV signing authority/approval matrix during this time period (last Date Modified 7/10/12) and that to be eligible for reimbursement by MV such contributions required either 1) the General Counsel AND Chief Executive Officer or 2) Board of Director approval.
3. I had neither the authority, nor consented, to making these contributions or reimbursing Pate but rather followed Pate's strict instructions relative to his assertion of the contributions prior approval as noted above and in accordance with the MV signing authority/approval matrix.

Finally, I am not familiar with the Federal Election Campaign Act regulations and relied implicitly on Pate's prior experience as former Virginia State Finance Chair.

I am available to discuss any and all matters. You may best reach me via cell at (

Sincerely,



Brad Cornelsen

170444430010

Item	Name	Direct	Main	Facility	GM	RVP	Group	Group	Corp	CDO	SVP	EVP	CIO	Gen	GFO	Pres	CEO	Board	Board
		Superv	Mgr	Mgr			Control	Pres	Control			HR	Risk		Count		COO		Chair
1	Bld Model Approval (Approval to Submit Original Bid, BAFO or Negotiated Pricing to client)																		
1a	<250k annual rev/no capital					2	2	2	2	2					2	2	2	2	A
1b	> 250k annual rev/< 400k cap						2	2	2	2					2	2	2	2	A
1c	>2 mil annual rev/<1 mil cap							2		2						R2	2	2	A
1d	> 5 mil.annual rev/<1.5 mil cap										3				R/3	R/3	3		A
1e	> 10 mil annl rev/> 1.5 mil cap														R/3	3	R/3	R/3	A
2	Revenue Contracts/Amend (1)													R/2	2	2	2		A
3	Real Estate Leases (1)													R/2	2	2	2		A
4	Bank and other Debt Agreements (4)																		A
5	Vehicle/Equipment Leases (3)													R/2	R/2				A
6	New hires/comp increase or promotion for employees > \$325,000																		A
7	Employment Agreements (5)																		A
8	Severance Agreements																		A
8a	< \$25,000						2							R/2		2	2		A
8b	> \$25,001 < \$200,000													R/2			R/2		A
8c	> \$200,000																		A
9	Collective Bargaining Agreements										R/3				R/3	R/3			A
10	Bonus Plans (except as noted in (6) below)																		A
10a	Bonus Payments (except as noted in (6) below)																	A	A
10b	Bonus Payments Drivers (7)				A														A
11	Loans to Employees <\$25,000 (1 yr term)										R/2						R/2		A
11a	Loans to Execs/Board (any amt) or all >\$25,000																		A
12	Stock Option Plans (8)																		A
13	Granting of Stock Options(9)																		C
14	Set Fair Market Value of Stock																		A
15	Appointing Auditor																		A
16	Sale/Transfer of Stock (10)																		A
17	Executive Compensation																		A
18	Board of Directors Compensation																		A
19	Corporate Policies													R/2			R/2		A
20	Hiring/Term of GM					2		R/2			2					2	2		A
21	Hiring/Term of RVP							R/2			2					2	2		A
22	Hiring/Term of Executives (11)																		A
23	Hiring/Term of Div Employees (12)					2					2								A
24	Hiring/Term of Corp Employees							2		2	R/2		2	2	2	2	2		A
25	CER < \$10,000 in approved business plan						2	2							2	2	2		A
25a	CER > \$10,000 in approved business plan														2	2	2		A
25b	CER - Not in approved business plan (13)														R/2		R/2		A
25c	CER > \$1,500,000 (14)																		A
26	Acquisition of Real Estate or Businesses																		A
27	Agreements with Investment Banks/Advisors																		A
28	Appointment of Officers																		A
29	Appointment of Directors for Subsidiaries																		A
30	Issue stock certificates app'd by Board													R/2			R/2		A
31	Sales of Asset at Less than FMV																A		A
32	Sale of Asset to Executive or Board Member																		A
33	Approval of non-arm's length transactions																		A
34	Signature on company checks <\$5,000						A		A						A	A	A		A
35	Signature on company checks >\$5,000						2		2						2	2	2		A
36a	Wire transfers < \$5,000														A				A
36b	Wire transfers >\$5,000														R/2	2	2		A
37	Approval of payroll	A																	A
38	Approval of all pension plans																		A
39	Account Payable Invoices			A	A	A	A	A	A	A	A	A	A	A	A	A	A		A
40	Expense Report	A																	A
41	Petty Cash Recon Report				A														A
42	Hiring Outside Counsel - Litig																		A
42a	matters < \$100,000											A							A
42b	matters > \$100,000											R/2		R/2					A
42c	matters > \$250,000											R/3		R/3			R/3		A
43	Hiring Outside Counsel - Other																		A
43a	matters < \$100,000													A					A
43b	matters > \$100,000													R/2			R/2		A
44	Settlement of Claims																		A
44a	Liability < \$100,000											A							A
44b	Liability > \$100,000											R/3		R/3					A
44c	Liability > \$250,000																A		A
44d	Liability > \$1,000,000																		A
44e	Employment < \$25,000													A					A
44f	Employment > \$25,000													R/2			R/2		A
44g	Employment > \$100,000													R/3		R/3			A
44h	Employment > \$250,000																A		A
44i	Employment > \$1,000,000																		A
44j	Commercial < \$25,000													A					A
44k	Commercial > \$25,000													R/2			R/2		A
44l	Commercial > \$100,000													R/3		R/3			A
44m	Commercial > \$250,000																A		A
44n	Commercial > \$1,000,000																		A
45	Dividends																		A
46	Contracts Other Than Revenue (15)													R/2					A
46a	value < \$25,000					2	2	2	2	2	2	2	2	R/2	2	2	2		A
46b	value > \$25,000													R/2	2	2	2		A
47	Donations - Political													R/2			R/2		A

(1) All revenue contracts must be reviewed and approved as to form by the General Counsel or his designee and contain an approved bid model per Item 1 above.

(2) CERs that are not budgeted or exceed \$5,000 require CEO approval.

(3) Vehicle/Equipment Leases up to but not exceeding the amount in the annual business plan adopted by the Board, amounts in excess to be pre-approved by the Board of Directors.

(4) Excludes depository only accounts for accounts with balances less than \$100,000. These agreements may be approved by CFO alone.

(5) Employment agreements are only for executives (CEO, COO, CFO, CDO, GC, Group Presidents, CIO); all other employees at will.

(8) All bonus plans must be approved by the Board except bonus plans for employees below the GM level with a payout of < \$2,000 per year, which must be approved in advance by Group President and SVP-HR. All bonus payments to executives or Board members must be approved by the Board.

(7) Bonus Plans for drivers must be approved in advance in writing by Group President and SVP-HR.

(8) All stock option plans must additionally be approved by shareholders.

(9) Approval of grants, including modification of the terms of any prior grant, must be made by Stock Option Committee appointed by Board of Directors

(10) Includes stock of any subsidiary

(11) CEO has sole authority to terminate any executive with the exception of the CFO. Termination of CFO must be approved by the Board of Directors.

(12) Termination of division employees may be completed after approval of HR, hiring may be done within the approved wage scale by GM when following corporate policies

(13) The sum of any such approvals (cumulative) in any fiscal year shall not exceed 15% of the total CAP-EX approved by the Board in the business plan without further board approval.

C= Book 14. All GEBs included all fixed asset purchases whether purchased, leased or rented.

B = If not (15), All contracts must be reviewed and approved in to form by the General Counsel or his designee.

2<sup>a</sup> Requires 2 Authorized Individuals to jointly approve